LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6375 DATE PREPARED: Nov 12, 2001

BILL NUMBER: SB 48 BILL AMENDED:

SUBJECT: Licensure of Manicurist Instructors.

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FUNDS AFFECTED: X GENERAL IMPACT:

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill authorizes the State Board of Cosmetology Examiners to license manicurist instructors. The bill establishes qualifications to be met in order for a person to be licensed as a manicurist instructor.

Effective Date: July 1, 2002.

Explanation of State Expenditures: The Professional Licensing Agency (PLA) could require additional expenditures in order to process the license for manicurist instructors. If an additional COMOT 3 position were added to administer the license, the impact would be \$30,578 in FY 2003 and \$29,931 in FY 2004. As of November 1, 2001, the PLA had 45 full-time and 4 part-time staff members and one vacancy (a COMOT 3 position.) The PLA also may experience additional expenditures for printing and postage.

The bill requires the applicant to have completed 1,000 hours of classes and to have practiced at least one year as a manicurist in a manicuring salon. As a cross-reference, the PLA reports that 4,121 manicurist licenses were active as of December 2000. It is currently unknown how many of the 4,121 licensees have practiced for at least one year in a manicuring salon.

With respect to cosmetology schools offering instructor training, it is reported that there are at least 45 different cosmetology schools in Indiana currently. The National Accrediting Commission of Cosmetology Arts & Science (NACCAS) reports only 22 of these schools meet the NACCAS standards for accreditation. Additionally, out of the 22 NACCAS accredited schools, 17 offer course work in instruction for 1,000 plus hours of duration.

The following table lists the current number of NACCAS accredited schools in states neighboring Indiana.

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State	# of NACCAS- accredited Schools	# of NACCAS-accredited Schools offering instruction courses of 1,000 hours or more
Illinois	48	45
Ohio	44	16
Michigan	28	2
Kentucky	24	20

The total number of students currently enrolled in the theory and practice of instructor training courses is currently indeterminable.

Explanation of State Revenues: Currently, there are 28.6 licensed cosmetologists to every one licensed cosmetology instructor, or a ratio of 3.5%. If this ratio were applied to the current number of manicurist licenses, an estimated $(4,121 \times 0.035 = 144)$ individuals could apply for the manicurist instructors license.

The bill requires a fee of \$40 for the cosmetology instructor license. If 144 individuals applied for a cosmetology instructor license, an estimated \$5,760 in revenue could be collected in fees.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Professional Licensing Agency, Board of Cosmetology Examiners.

Local Agencies Affected:

<u>Information Sources:</u> Indiana Professional Licensing Agency, State of Indiana HRM Detail Staffing Report, National Accrediting Commission of Cosmetology Arts & Science.

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